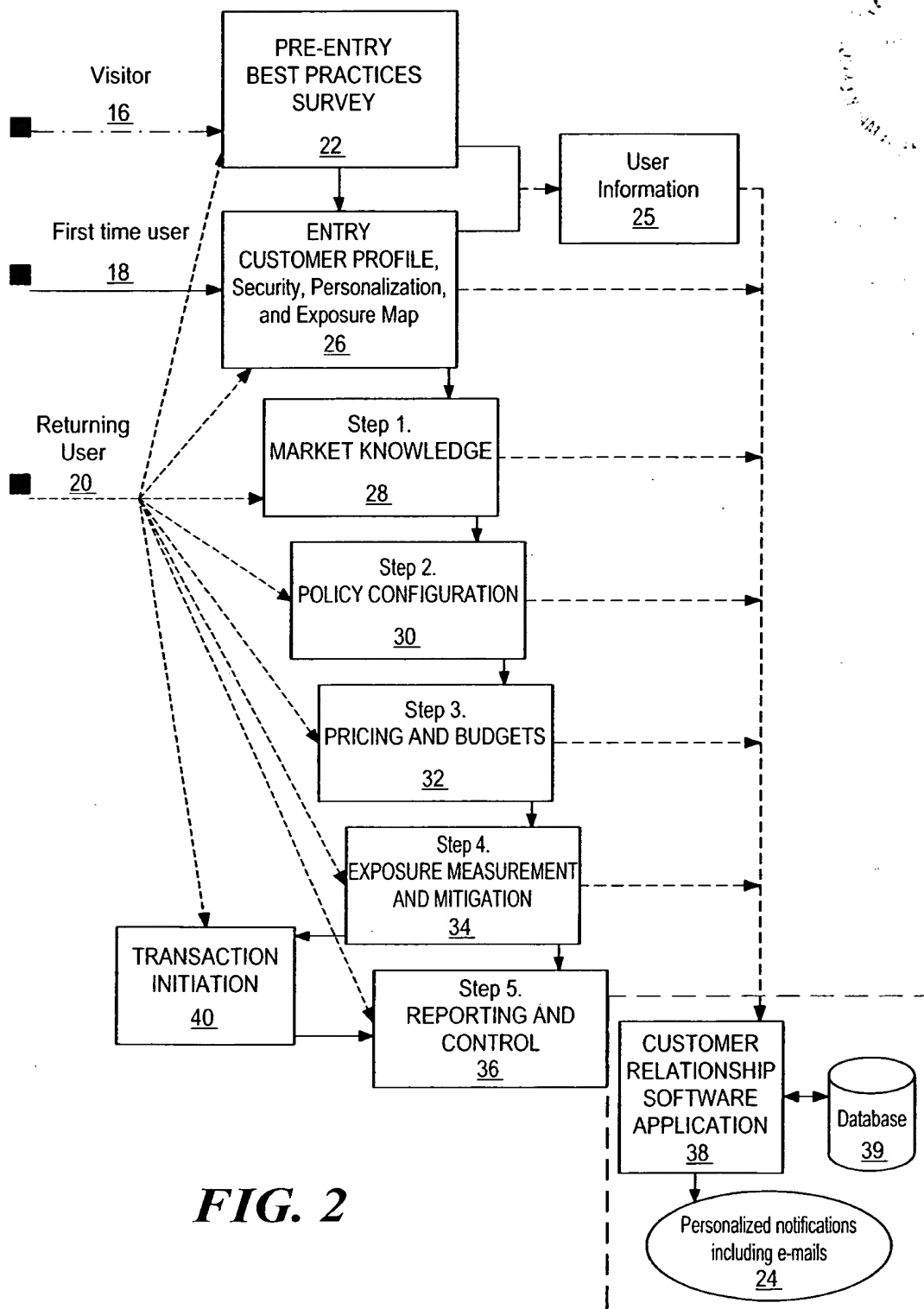
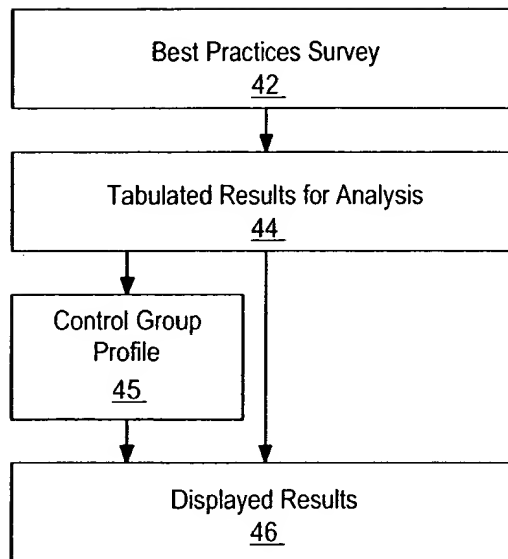
**FIG. 1**

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**FIG. 2**



**FIG. 3**

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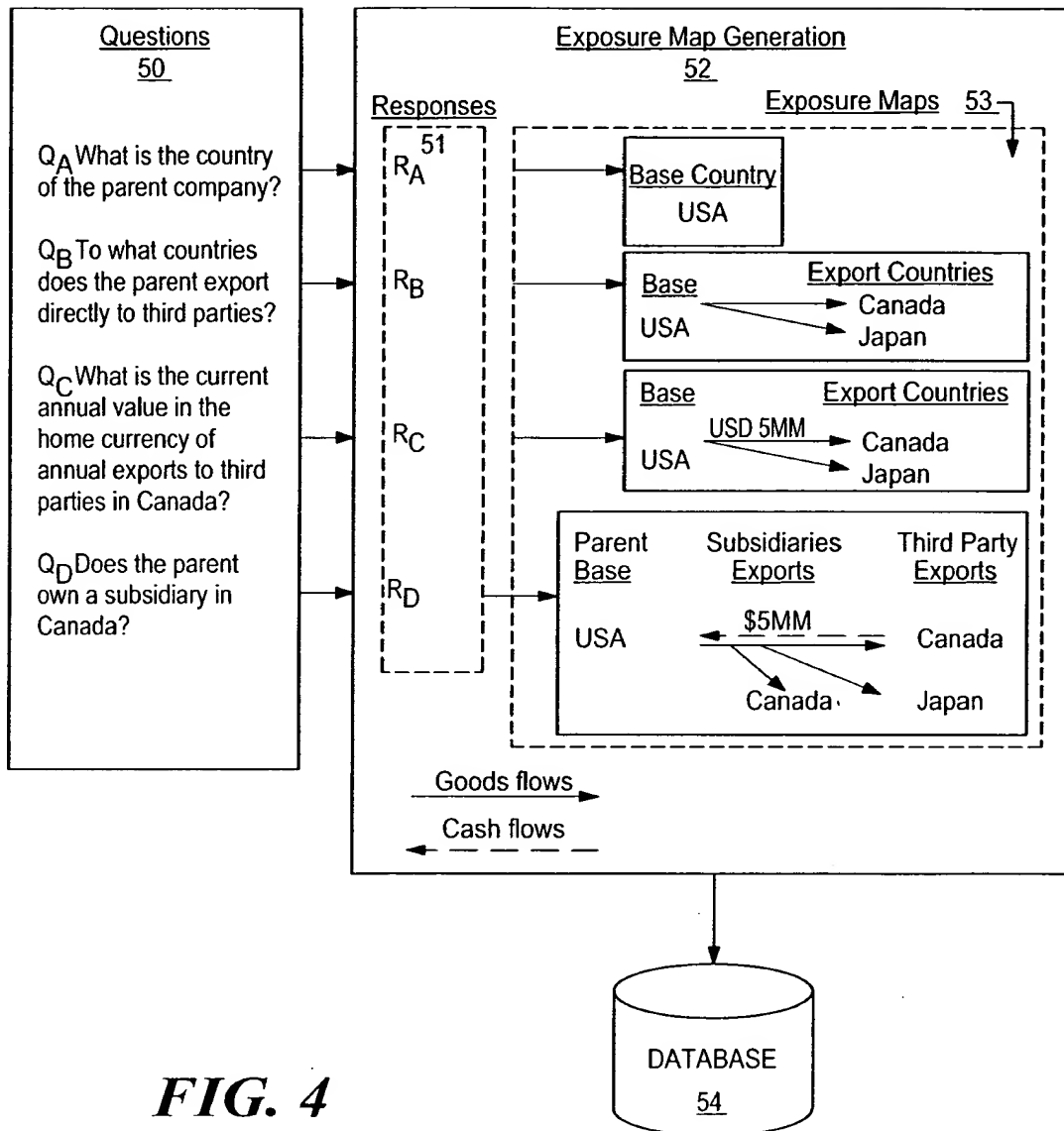
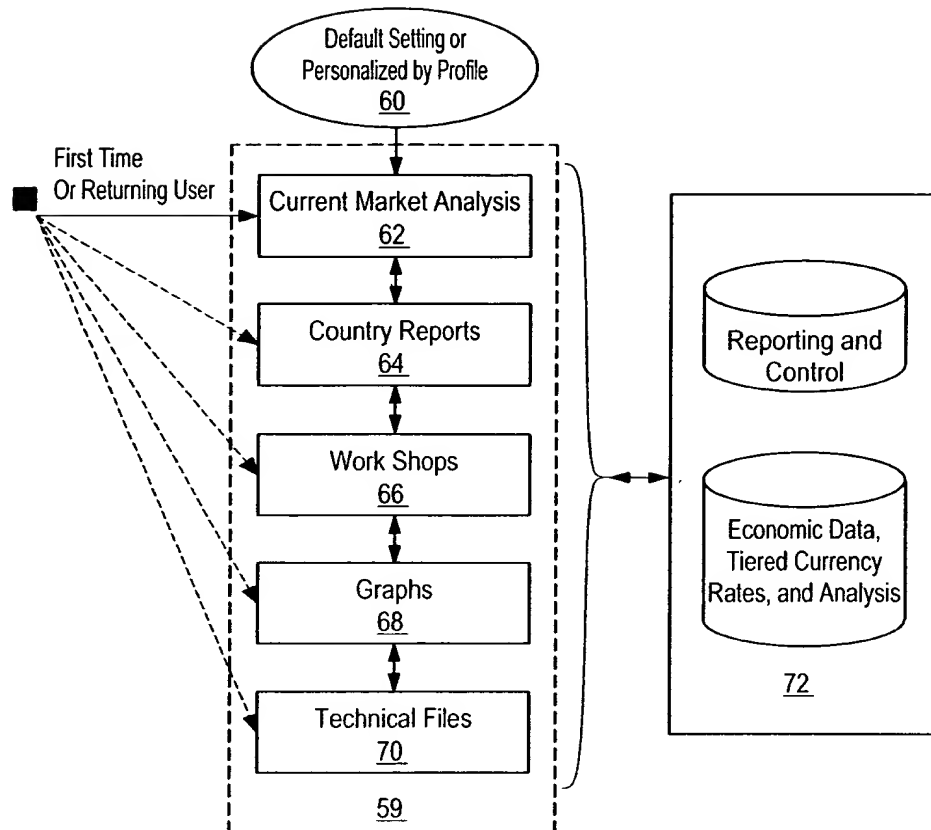


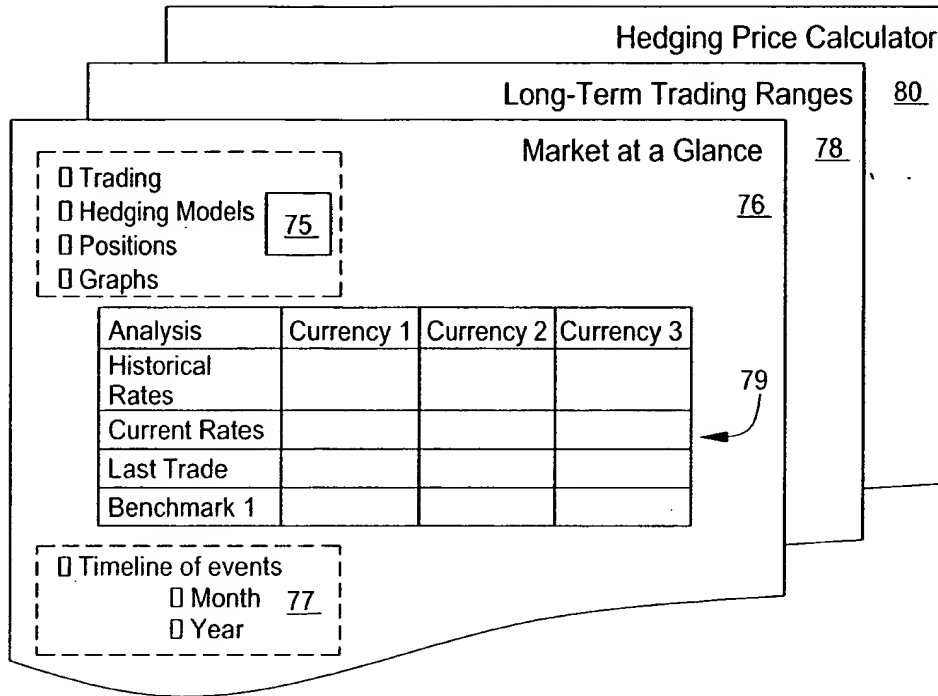
FIG. 4

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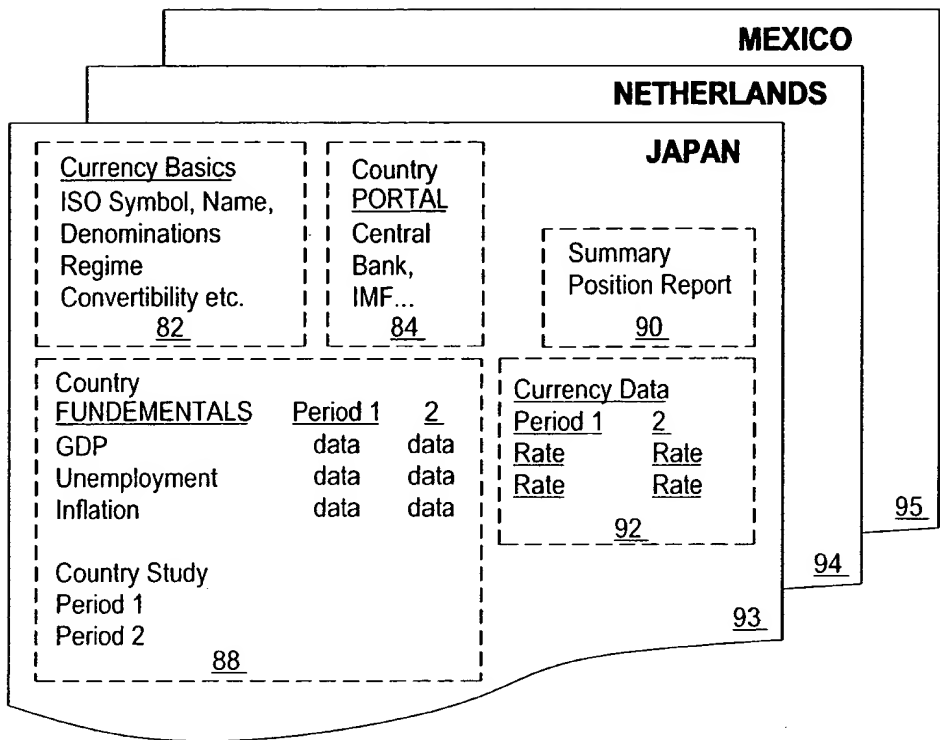


**FIG. 5**

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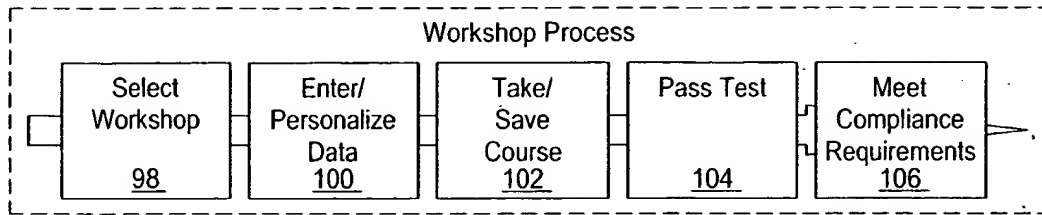
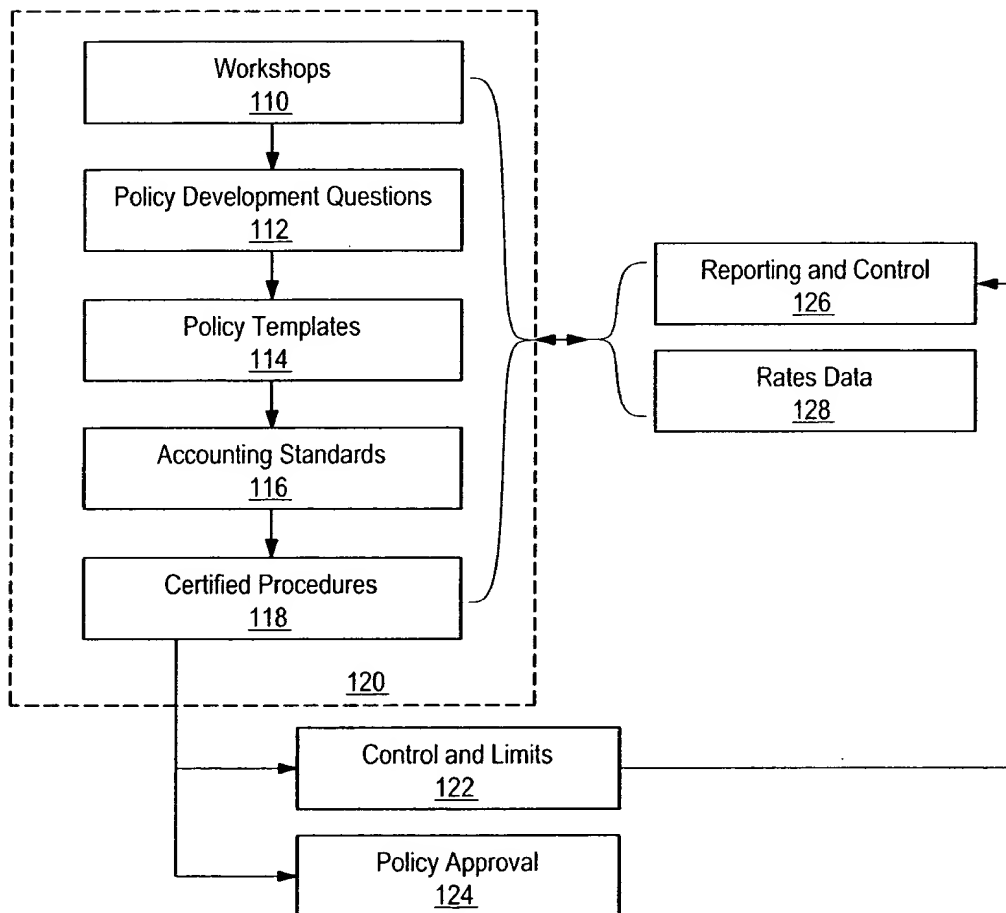


**FIG. 6**

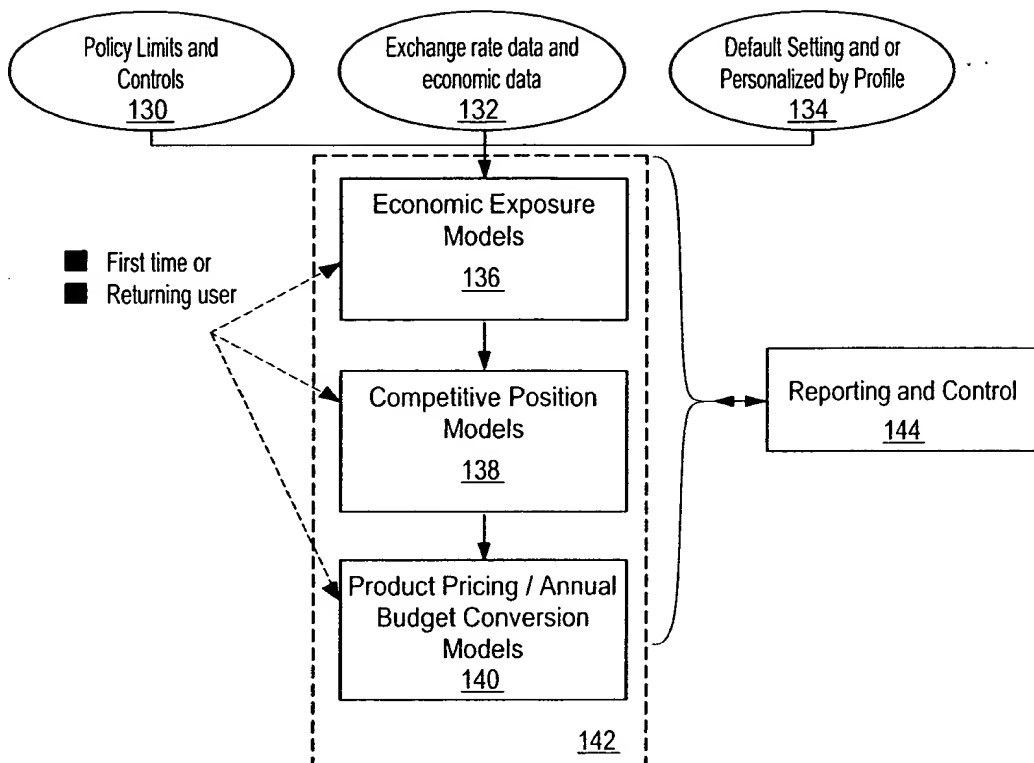


**FIG. 7**

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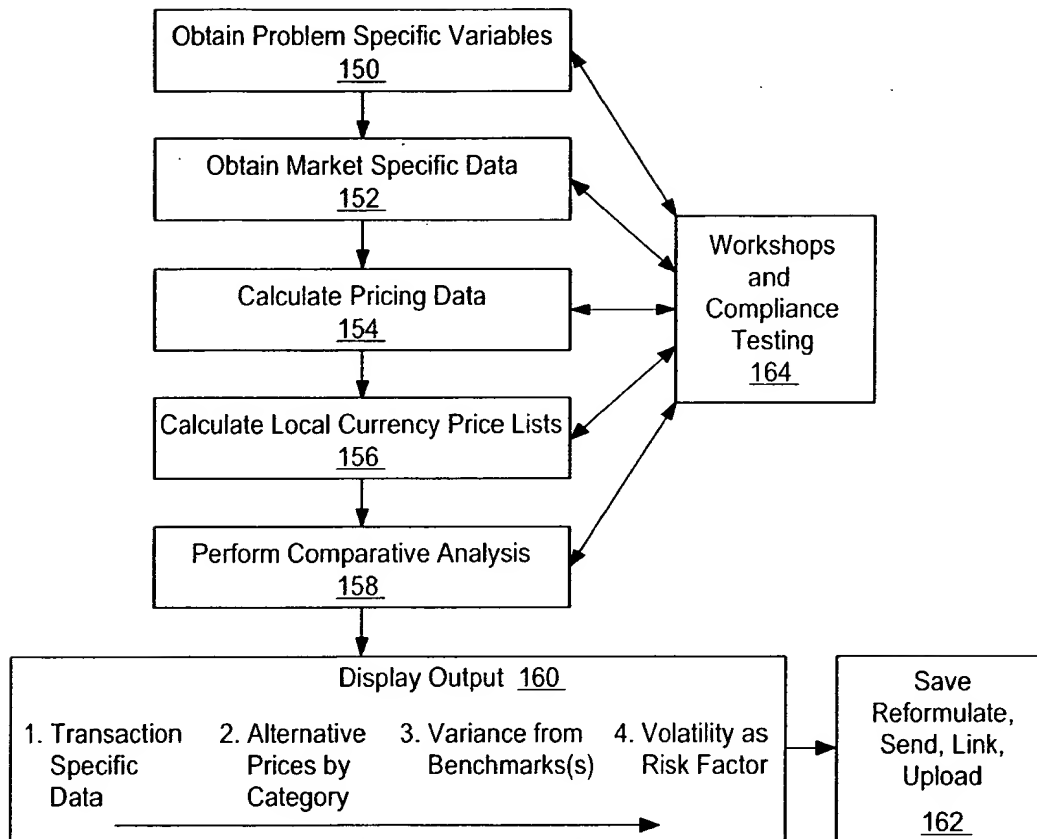
**FIG. 8****FIG. 9**

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**FIG. 10**

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**FIG. 11**

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Select: 1 transaction, set of transactions, budget...

Option Number	Seller's Price in Base Currency (USD)	Buyer's Currency Analysis (JPY)	Exchange Rate(s)	Buyer's Equivalent Price in Foreign Currency	Buyer's Equivalent Price Variance 1 from Benchmark	Buyer's Equivalent Price Variance 2 from Benchmark
<u>166</u>	<u>168</u>	<u>170</u>	<u>172</u>	<u>174</u>	<u>176</u>	<u>178</u>
1a	Value(s)	JPY price at historical rate for Period 1	Rate	Value(s)	Value(s)	Volatility
1b	Value(s)	JPY price at historical rate for Period 2	Rate	Value(s)	Value(s)	Volatility
2a	Value(s)	JPY price at spot rate today <u>180</u>	Rate	Value(s)	Value(s)	Volatility
2b	Value(s)	JPY price at forward rate for Period 1	Rate	Value(s)	Value(s)	Volatility
3a	Value(s)	JPY price at forward rate for Period 2	Rate	Value(s)	Value(s)	Volatility
4a	Value(s)	JPY price at forecast rate for Period 1	Rate	Value(s)	Value(s)	Volatility
4b	Value(s)	JPY price at forecast rate for Period 2	Rate	Value(s)	Value(s)	Volatility

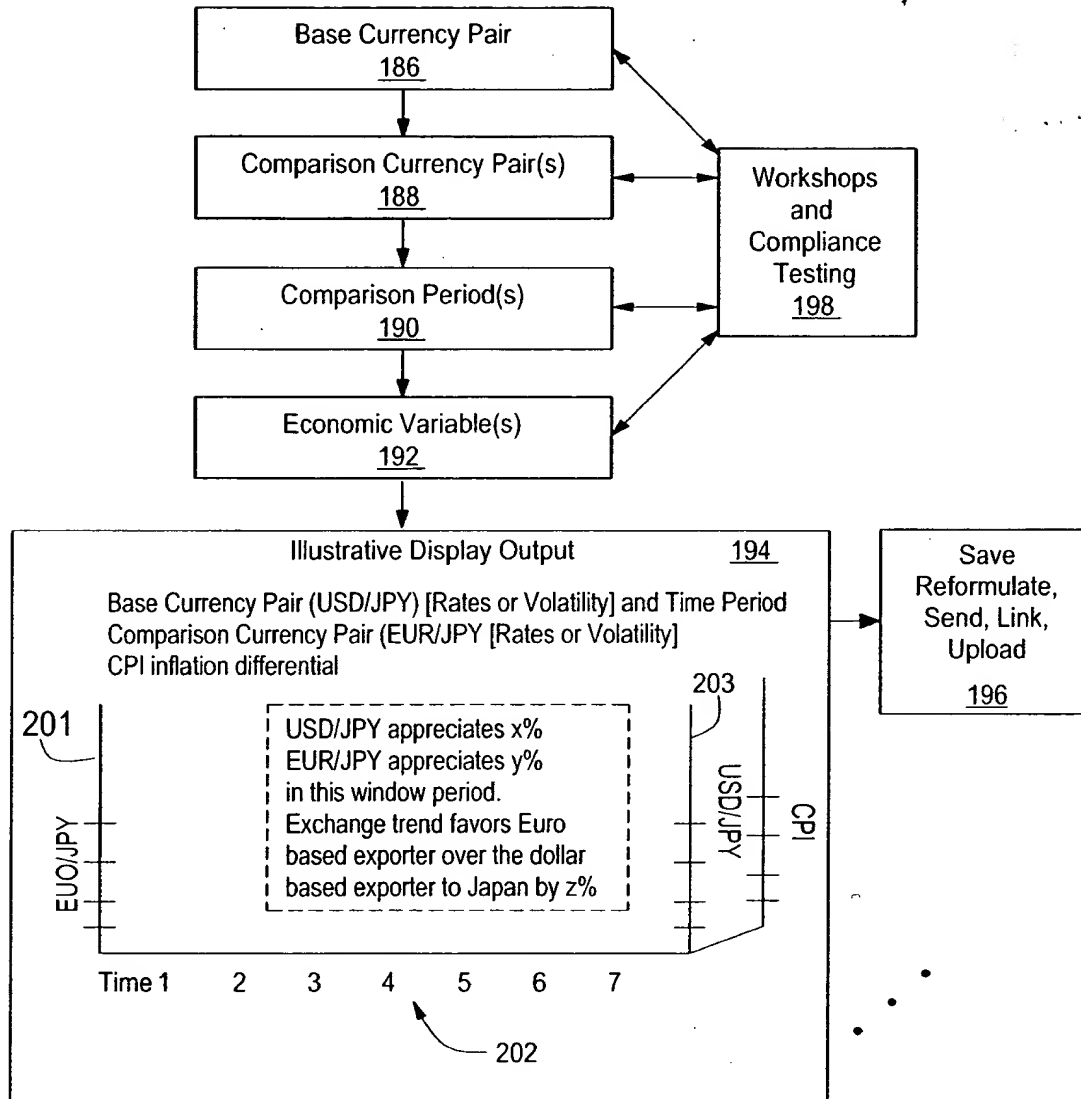
...

☐ Save as 182  
☐ Mark-to-Market  
☐ Upload to (drop down menu including: Knowledge Engine components, Risk Measurement components...)  
☐ e-Mail

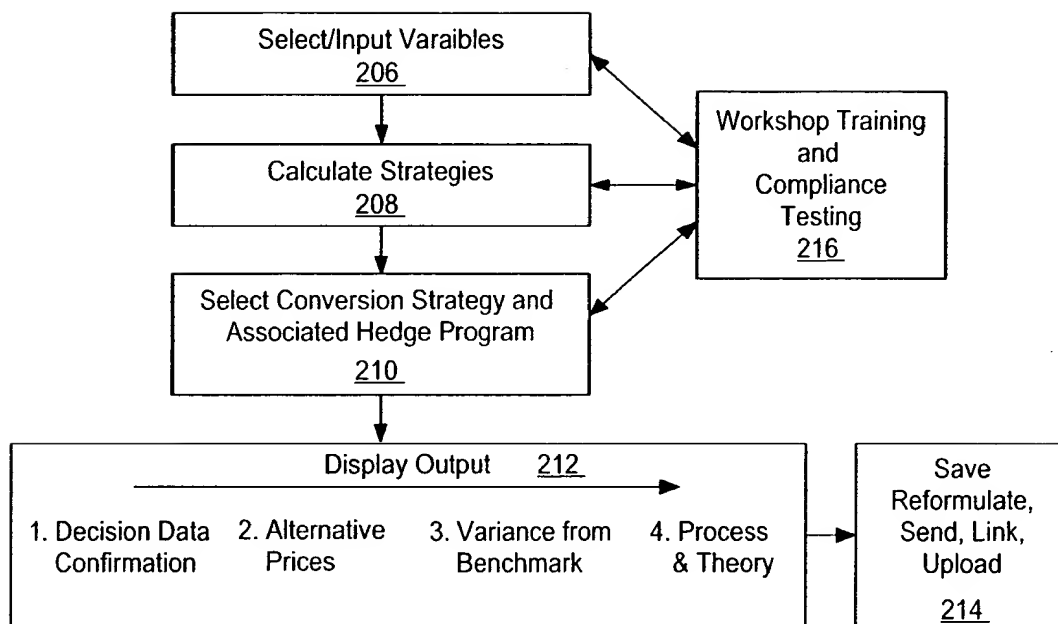
Select: graph  
table

FIG. 12

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**FIG. 13**

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**FIG. 14**

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Periods (Months /Days)	Base Currency Amounts	Spot	Forward Rates	Option Costs at Selected Strike Prices	Premiums In base currency	Opportunity Cost Rates	Break Even Rates	Forecast Rates(s)
<u>220</u>	<u>222</u>	<u>223</u>	<u>224</u>	<u>225</u>	<u>226</u>	<u>227</u>	<u>228</u>	<u>229</u>
Today		Rate						
1	Value		Rate	%	Value	Rate	Rate	Rate
2	Value		Rate	%	Value	Rate	Rate	Rate
3	Value		Rate	%	Value	Rate	Rate	Rate
4	Value		Rate	%	Value	Rate	Rate	Rate
5	Value		Rate	%	Value	Rate	Rate	Rate

Select (conversion strategy and benchmark)

☐ Market at a glance

☐ Workshop

Illustrative Display Screen Calculations for Step 208 (Fig. 14)

Conversion Strategy Selected:		
3. Today's weighted average forward rate.		
<u>231</u>		
Benchmark		Spot rate <u>232</u>
Conversion Rate		Weighted forward average (224) <u>233</u>
Price P1		Value
Price P2		Value
Price P3		Value
Price P4		Value
Total Price		Value
Variance to Benchmark of Total		Variance Value

...

☐ Workshop

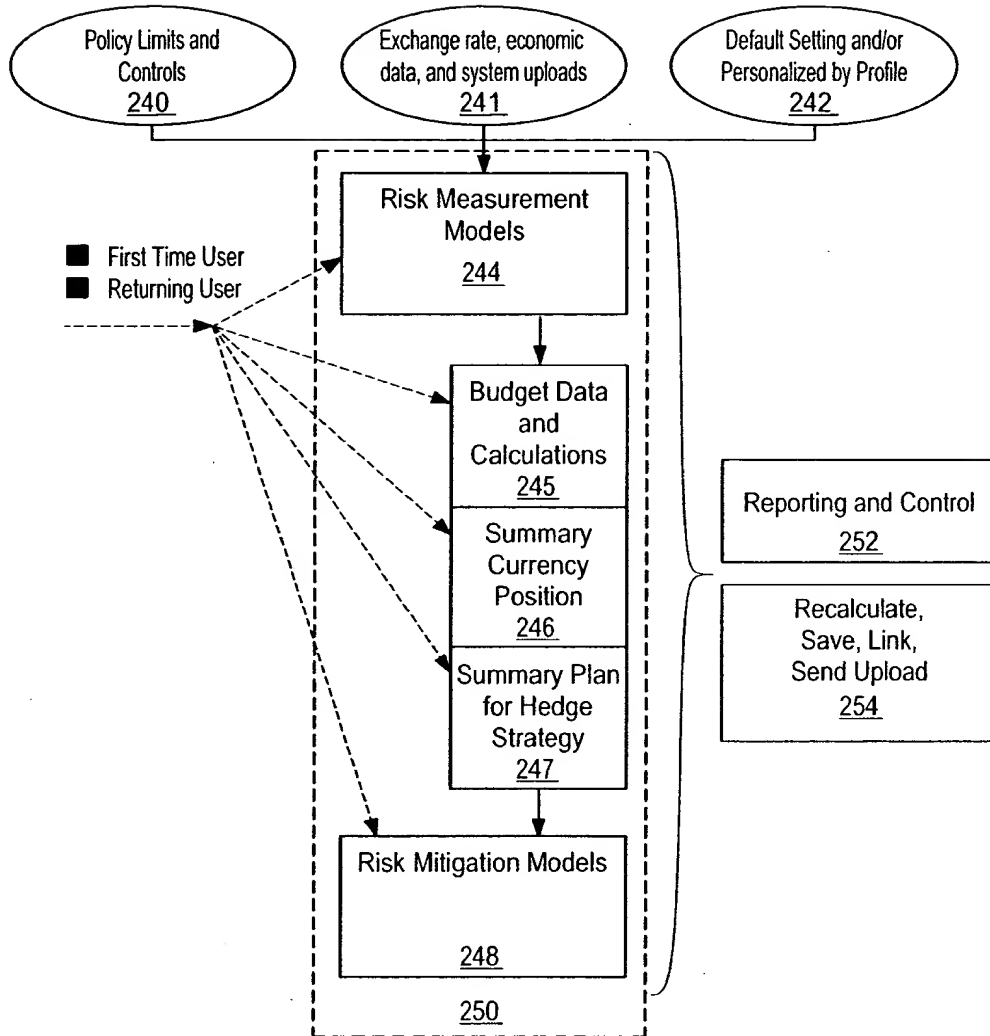
☐ Upload, save, e-mail...

Illustrative Display Screen Calculations for Step 210 (Fig. 14)

234

**FIG. 15**

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**FIG. 16**

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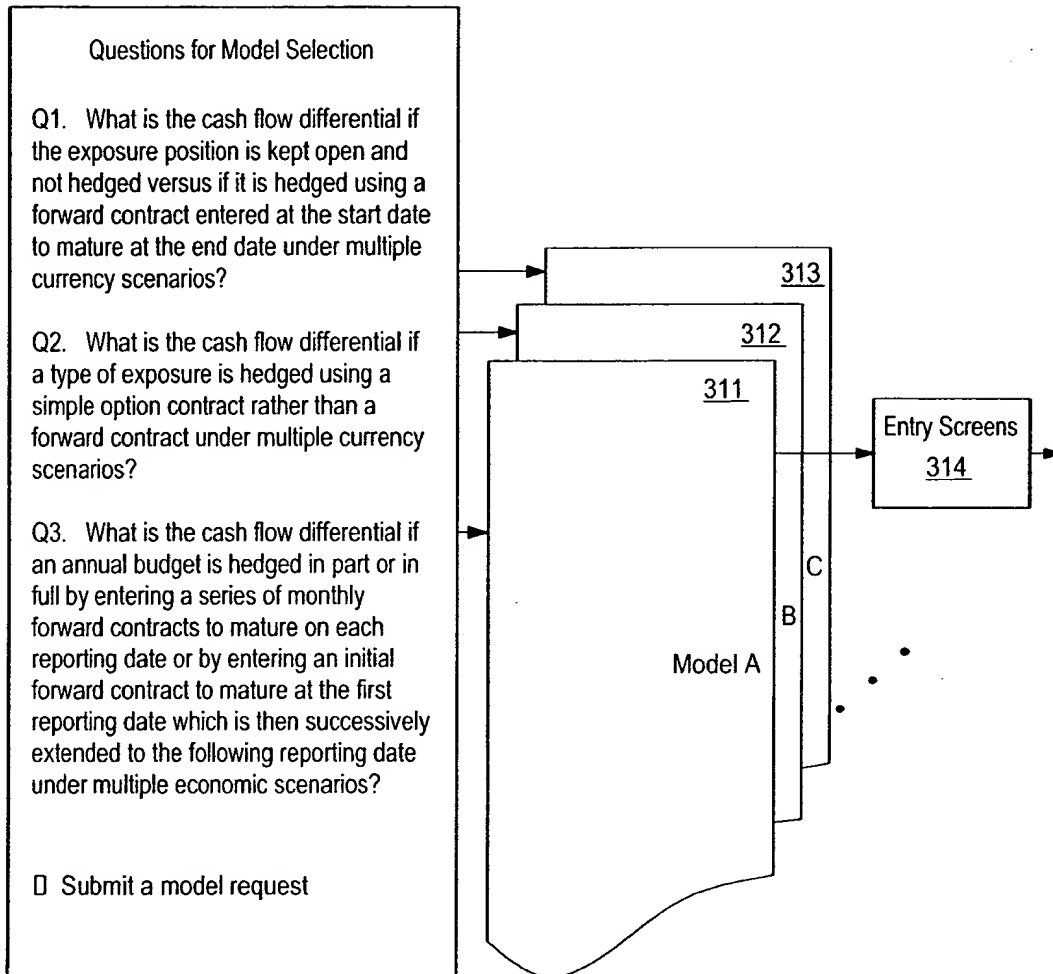
Country	Category	Month 1 Budget (Now)	Actual (Now)	Variance A to B (Now)	Month 2 A V	Month 3 A V...	Year Total A V
<u>261</u>	<u>262</u>	<u>263</u>	<u>264</u>	<u>265</u>	<u>266</u>	<u>267</u>	<u>268</u>
Japan <u>270</u>	Budget Purchase(Sales) in JPY	Value	Value	Value	Value	Value	Value
<u>271</u>	Budgeted Exchange Rate(s)	Rate	Rate	Rate	Rate	Rate	Rate
<u>272</u>	Current Spot Rate	Rate	Rate	Rate	Rate	Rate	Rate
<u>273</u>	Current Hedge Rate(s)	Rate	Rate	Rate	Rate	Rate	Rate
<u>274</u>	Cost of Hedge(s)	Value	Value	Value	Value	Value	Value
<u>275</u>	Variance from Budget	Value	Value	Value	Value	Value	Value
<u>276</u>	Base Currency Scenario 1	Rate	Rate	Rate	Rate	Rate	Rate
<u>277</u>	Gain/(Loss) from Unhedged Position	Value	Value	Value	Value	Value	Value
<u>278</u>	Variance from Budget	Value	Value	Value	Value	Value	Value
Illustrative Output of Budget Data and Calculations							<u>280</u>

Currency	Position in Foreign Currency (FC)	Budgeted Rate		Market Rates			Benchmark(s) Rates or Volatility		
		Budget Rate	Base Currency (BC) Equivalent	Current Rate	Base Currency Equivalent	BC Differential Actual to Budget	Benchmark 1 Exchange Rate	Base Currency Equivalent	BC Differential Benchmark to Budget
<u>281</u>	<u>282</u>	<u>283</u>	<u>284</u>	<u>285</u>	<u>286</u>	<u>287</u>	<u>288</u>	<u>289</u>	<u>290</u>
JPY <u>291</u>									
TOTAL EXPOSURE BC <u>292</u>									
TAX RATE									
TOTAL EXPOSURE BX AFTER TAX <u>294</u>									
Illustrative Output of Summary Currency Position <u>295</u>									

Currency <u>298</u>	Actual			Plan		
	Aggregate Currency Position(s)	Existing Hedge Position(s)	Current Open Position	Hedge Now at spot, forward rate(s), option strike price(s)	Hedge Time Designated at spot, forward rate(s), option strike price(s)	Do Not Hedge, stop loss rate(s) of
	<u>299</u>	<u>300</u>	<u>301</u>	<u>302</u>	<u>303</u>	<u>304</u>
JPY <u>305</u>						
GBP						
Illustrative Output of Summary Plan for Hedging Strategy <u>306</u>						

FIG. 17

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**FIG. 18**

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**Illustrative Appearance of Entry Screen Format 318**

Title of Model: Cash Flow Comparisons by Hedge Strategy and Economic Scenario

Buy or Sell:  Comparisons to Show:

Foreign Currency:  Spot Exchange Rate (USD/FC):

Amount of Foreign Currency:  Forward Exchange Rate (USD/FC):

Base Currency:  Loan/Deposit Rate (SUD/FC):

Today's Date:  Premium Amount for American Style Option,

Transaction Start Date:  At-the-Money Options:

Settlement/Value Date:  319 Out-of-the-Money Option:

Option Strike Price:

Economic Scenario 1:  Economic Scenario 2:

US Dollar Strengthens to  320 US Dollar Weakens to

**324**

TITLE and problem:  
Confirmation of Data:  
Base Currency  
Foreign Currency  
Buy/Sell  
Begin date  
Value Date, etc.

**Illustrative Appearance of Output Screen Format 322**

Select:  
Display Summary A  
Display Summary B

**326**

**327**

Coverage Periods:  
--- Spot  
— Forward

**328** **329** **330**

**335**

Matrix of Alternative Analysis:

Cash Flow: Same instrument, 2 Economic Scenarios:

1. Spot Contract entered on 1/31/00 for value 2/2/00:

Scenario A. Cash Flow if USD strengthens to USD 1.5000/GBP: FC amount @ rate = (base equivalent)

Scenario B. Cash Flow if USD weakens to USD 1.0000/GBP: FC amount @ rate = (base equivalent)

Differential: Cash Flow, Scenario A versus Scenario B: base equivalent

2. Forward Contract entered on 8/8/99 for value 2/2/00:

Scenario A. Cash Flow if USD strengthens to USD 1.5000/GBP: FC amount @ rate = (base equivalent)

Scenario B. Cash Flow if USD weakens to USD 1.7000/GBP: FC amount @ rate = (base equivalent)

Differential: Cash Flow, Scenario A versus Scenario B: base equivalent

Differential: Cash Flow, Scenario 1A to 2A: base equivalent

Differential: Cash Flow, Scenario 1B to 2B: base equivalent

**331** **332**

Process Theory

Process Theory

Process Theory

**334**

Views of Market	Instruments	Strategies	Arbitrage Opportunities	Interest Rate Differentials	Types of Exposures
Views of Market					
Instruments					
Strategies					
Arbitrage Opportunities					
Interest Rate Differentials					
Types of Exposures					

FIG. 19

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PRODUCT CHOICE: 340

☐ Spot types   
 ☐ FORWARD types   
 ☐ SWAP types   
 ☐ OPTION types   
 ☐ LOAN types   
 ☐ DEPOSIT types

Illustrative Categories		Illustrative Detail <u>352</u>		
1	Trader Reference <u>341</u>	Number	Trade Date	Time
2	Status <u>342</u>	New	Order	Approve
3	Hedge Activity <u>342</u>	Link Exposure 1. to Trade	Link 2	Link 3...
4	Settlement Basis <u>344</u>	Credit	Split Date	Net Base
5	Requested Value Date(s) <u>345</u>	Date 1	Date 2	Date 3...
6	Ordering Customer <u>346</u>	Template 1	Template 2	Template 3...
7	Beneficiary(s) <u>347</u>	Ben 1	Ben 2	Ben 3...
8	Comments <u>348</u>	Open	Open	Open
9	Beneficiary's Bank(s) <u>349</u>	Template 1	Tem 2	Tem 3...
10	Transaction Specification <u>350</u>	Currency Pair	Transaction Amount	Rate Choice
11	Transaction Status <u>351</u>	Hold	Approve	Cancel

System: 353

☐ 12. Review Order, Credit Availability  
☐ 13. Submit Order with Testing  
☐ 14. Contract Number Assigned if authenticated  
☐ 15. Revise, Reject Message if failed  
☐ 16. Confirmation of Trade if authenticated  
☐ 17. Report of failed and authenticated

Submit  
355

Illustrative Transaction Entry Screen 354

**FIG. 20**

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Counterparty, Currency and Country Summary Position Report

Today's Date

360

Select: Counterparty, Currency, Country Detail

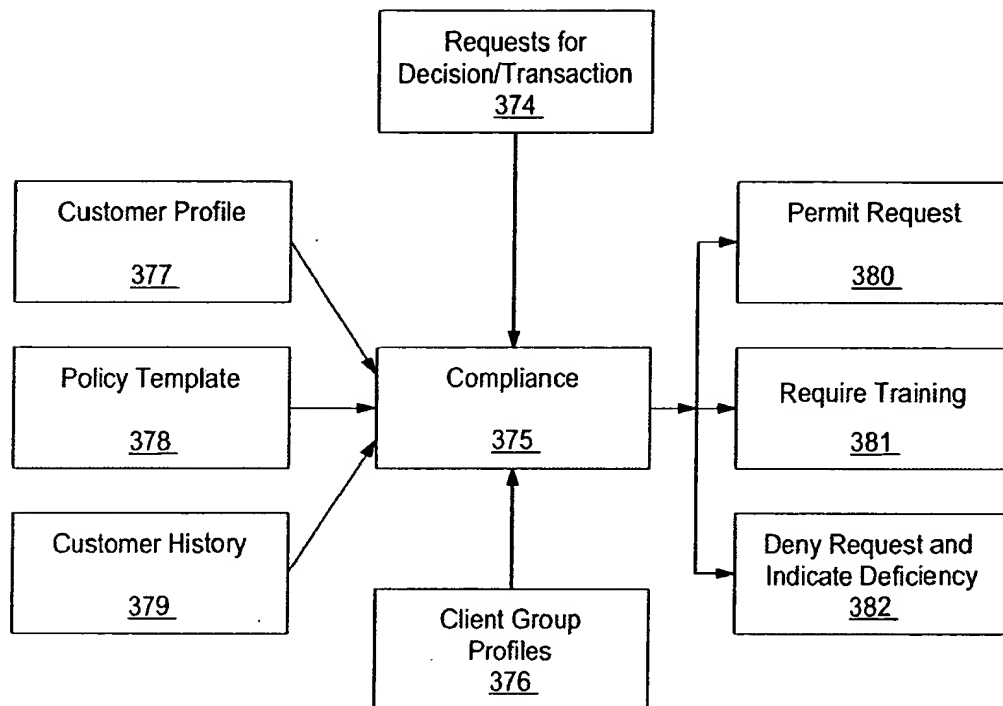
Currency Risk Report												Currency Risk		Counterparty Risk		Country Risk			
												<u>366</u>		<u>367</u>		<u>368</u>			
1	2	3	4	5	6	7	8	9	10	11	12	Limit	Differ- ential	Limit	Differ- ential	Limit	Differ- ential		
JPY	<u>370</u>										Exposure Amount								
EUR											Amount								
GBP											Amount								
Total Base Currency Equivalent												<u>369</u>	Amount		\$		\$		\$
Tax Rate 50%													Amount		\$		\$		\$

☐ Policy Template  
☐ Transaction  
☐ Workshop

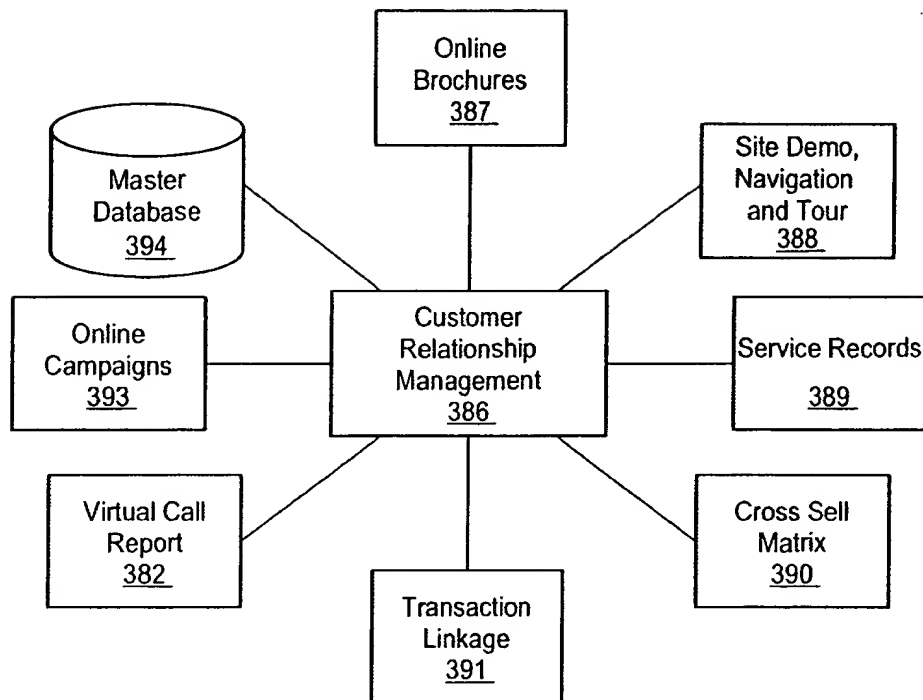
Column Heading for Currency Risk Detail Selection:

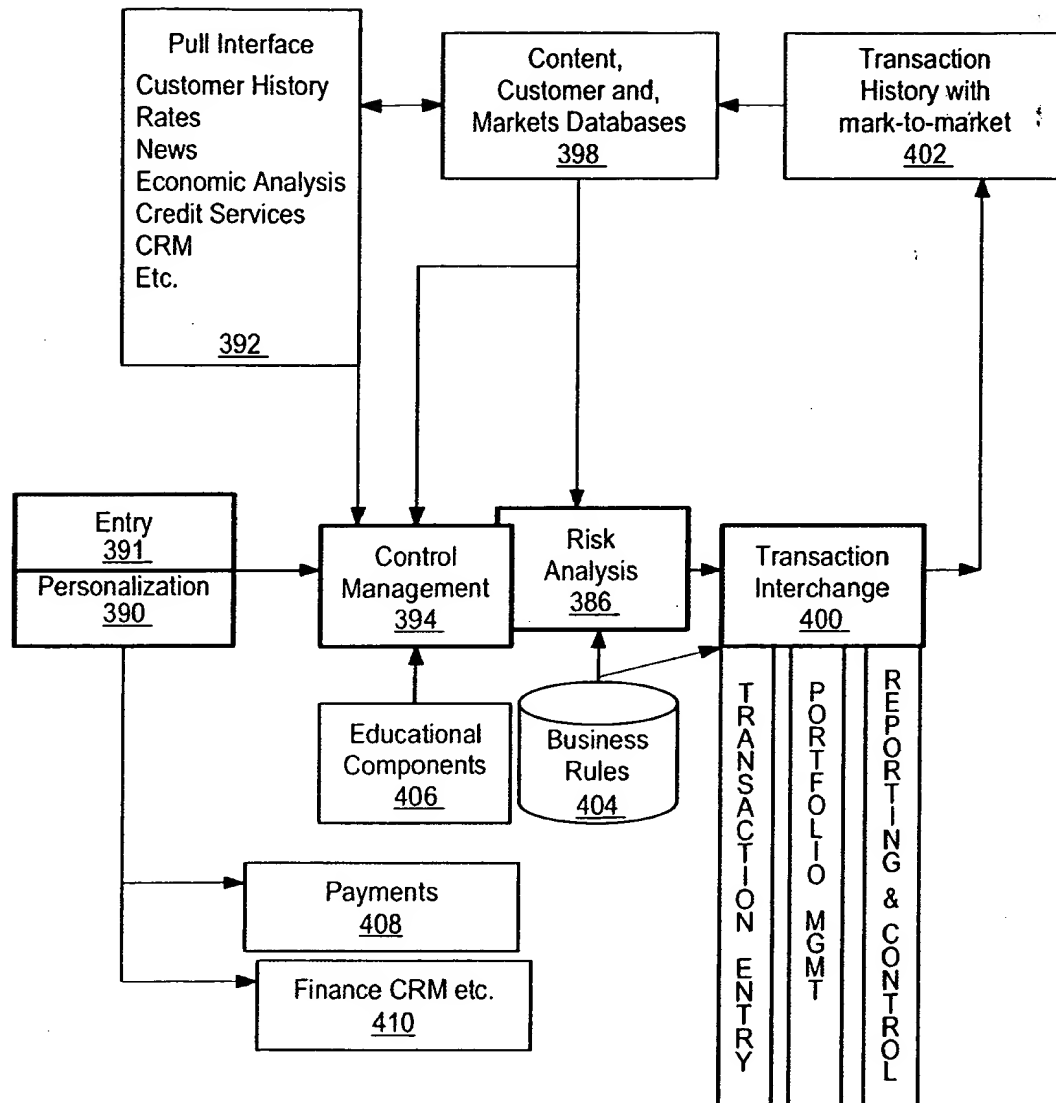
1. Currency Name(s)
2. Counterparty Name(s)
3. Account Balance(s)
4. Other Balance(s)
5. Total Receivables
6. Total Payables
7. Currency Exposure before Hedge
8. Currency Hedges
9. Currency Hedge Rate (weighted average)
10. Currency Exposure Residual
11. Current Exchange rate
12. Current Base Currency Value of Residual Exposure

**FIG. 21**

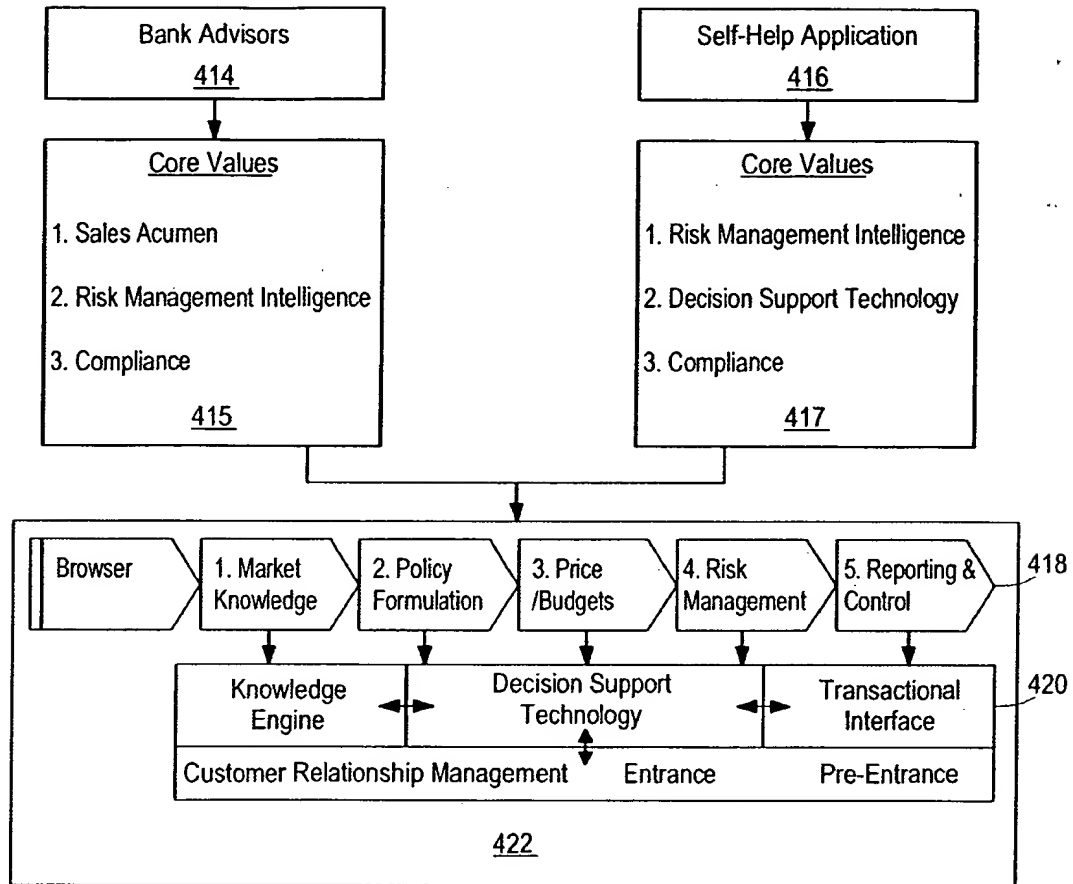
**FIG. 22**

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**FIG. 23**



**FIG. 24**



**FIG. 25**